



MEMORANDUM OF UNDERSTANDING

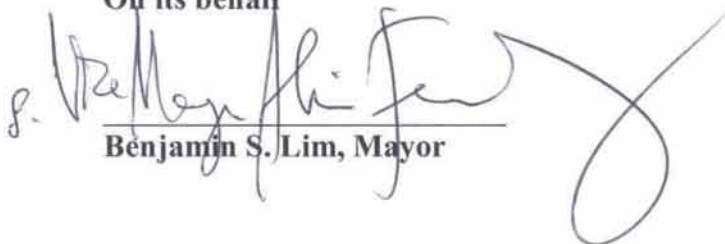
This Memorandum of Understanding is an agreement to establish a sister cities relationship between the City of Milpitas and Dagupan City.

- 1) The initial focus area of the sister cities relationship is municipal cooperation with these primary objectives:
 - a. To increase city officials' and administrators' knowledge and understanding of effectively managing different facets of city government.
 - b. To exchange ideas and information that improve existing service delivery systems used by both cities.
 - c. To encourage and foster goodwill and friendship visits of city officials and/or members of City of Milpitas commissions, Dagupan City Association, and residents of Milpitas and Dagupan.
- 2) The City of Milpitas and Dagupan City agree to explore expanding the initial focus area to include cultural and student exchange, with the possible involvement of established service organizations such as Jaycees, Rotary Club and Lions International.
- 3) Within two years from the date of signing of this MOU, the sister cities relationship will be reviewed by City of Milpitas Sister Cities Commission and Dagupan City Association to evaluate the progress of the relationship, as well as recommend if the relationship should continue.

These two cities hereby execute this Memorandum of Understanding on April 15, 2003 to expire on April 15, 2005.

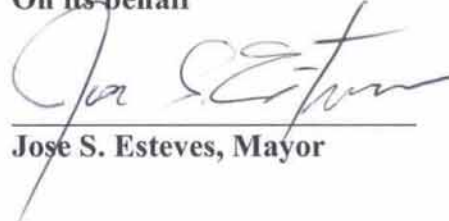
DAGUPAN CITY

On its behalf


Benjamin S. Lim, Mayor

CITY OF MILPITAS

On its behalf


Jose S. Esteves, Mayor